

September 27, 2021

Brian Zolynas  
Division of Medicaid and Children's Health Operations  
U.S. Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6707

**RE: Arizona SPA #21-009, GF GME**

Dear Mr. Zolynas:

Enclosed is State Plan Amendment (SPA) #21-009, GF GME. This SPA updates the State Plan to detail amounts and methodology related to the General Fund GME program dollars, with an effective date of September 30, 2021.

Public Notice for this SPA was posted and is viewable via the following link:  
<https://www.azahcccs.gov/shared/Downloads/PublicNotices/GMEFY22NOPI.pdf>

Tribal Consultation requirements have been met, with the Tribal Consultation presentation viewable at the following link:  
[https://www.azahcccs.gov/AmericanIndians/Downloads/Consultations/Meetings/2021/August12\\_2021QuarterlyTC.pdf](https://www.azahcccs.gov/AmericanIndians/Downloads/Consultations/Meetings/2021/August12_2021QuarterlyTC.pdf).

If there are any questions about the enclosed SPA, please contact Ruben Soliz at [ruben.soliz@azahcccs.gov](mailto:ruben.soliz@azahcccs.gov) or 602-417-4355.

Sincerely,



Dana Flannery  
Assistant Director  
Arizona Health Care Cost Containment System (AHCCCS)



STATE OF ARIZONA  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES  
INPATIENT HOSPITAL CARE

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Notwithstanding section 36-2903.01, subsection G, paragraph 9, subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for graduate medical education includes \$3,333,400 from the state general fund and \$7,782,600 from expenditure authority for the direct and indirect costs of graduate medical education programs located in a county with a population of less than five hundred thousand persons. The state general fund amount may supplement, but not supplant, voluntary payments made from political subdivisions for payments to hospitals that operate a graduate medical education program. The administration shall prioritize distribution to programs at hospitals in counties with a higher percentage of persons residing in a health professional shortage area as defined in 42 Code of Federal Regulations part 5.

Notwithstanding section 36-2903.01, subsection G, paragraph 9, subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for graduate medical education includes \$2,666,600 from the state general fund and \$6,225,700 from expenditure authority for the direct and indirect costs of graduate medical education programs located in a county with a population of more than five hundred thousand persons. The state general fund amount may supplement, but not supplant, voluntary payments made from political subdivisions for payments to hospitals that operate a graduate medical education program. The administration shall prioritize distribution to programs at hospitals in counties with a higher percentage of persons residing in a health professional shortage area as defined in 42 Code of Federal Regulations part 5.

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TN No. [21-009](#)

Supersedes

Approval Date: \_\_\_\_\_ Effective Date: September 30, 2021~~20~~

TN No. [20-019](#)